GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2944
ANSWERED ON:02.12.2016
Photograph of Loan Defaulters
Khaire Shri Chandrakant Bhaurao;Rajesh Shri M. B.;Yadav Shri Laxmi Narayan

Will the Minister of FINANCE be pleased to state:

a) whether the Government proposes to publish the details of the companies and individuals for not repaying their bank loans amounting to more than 10 crore rupees in newspapers;
b) if so, the details thereof and if not, the reasons therefor;
c) the details of the existing provisions for publishing the names of the loan defaulters in newspapers and seizure of their compulsory deposits; and
d) the machinery in place for the implementation of the said provisions?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) to (d): The decision to disclose the borrower's details including publishing the details in newspapers is taken by the banks as provided in various statutes and Loan Agreement.

Further, RBI Master Circular on Wilful Defaulters provides that a lending institution can consider publication of the photographs of only those borrowers, including proprietors/ partners /directors/ guarantors of borrower firms/ companies, who have been declared as willful defaulters following the mechanism set out in the RBI instructions and Board approved policy.

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